This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Claims 1-19. (previously canceled)

20. (currently amended) A computerized method for characterizing an investment portfolio, comprising the steps of:

receiving data for taxable investments;

receiving data for non-taxable investments;

receiving investor profile information;

performing an optimization which includes the data for the taxable investments, the data for the non-taxable investments and the investor profile information and which takes into account capital gains or losses on taxable investments which would be sold;

providing an investment recommendation;

wherein the step of performing an optimization comprises performing an iterative non-linear optimization routine, and the optimization routine comprises a first subroutine of attempting to resolve a flat function problem by running the routine with different sets of initial values, and the optimization routine further includes a second subroutine;

wherein when the flat function does not optimize with any of the sets of initial values used in an initial step, the second subroutine is utilized, wherein the second subroutine includes: taking a solution for a best case; and re-running the optimization routine including only those investments with nonzero weights; and

wherein when an optimal solution is found using the first subroutine, performing a third subroutine of re-running the optimization routine to account for minimum investment values; and

wherein when an optimal solution is found using the second subroutine, performing the third subroutine of re-running the optimization routine to account for minimum investment values.

Claims 21-26. (previously canceled)